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HC GROUP INC.

慧聪集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

VOLUNTARY ANNOUNCEMENT COOPERATION WITH PING AN BANK

This announcement is made by HC Group Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

In order to expand its trading services and facilitate the supply chain financing of its customers, the Group has recently entered into cooperation agreements with Ping An Bank Co., Ltd. (“**Ping An Bank**”) and Ping An Bank (Beijing Branch), respectively.

The Company’s subsidiary Guangzhou Huizheng Zhilian Technology Limited* (廣州慧正智聯科技有限公司, the operating entity of ibuychem.com – the Group’s eco-chain for the chemical and plastics industry) has recently entered into a business cooperation framework agreement (the “**Cooperation Framework Agreement**”) with Ping An Bank, pursuant to which both parties agreed to treat each other as an important business partner, endeavouring to collaborate on and implement innovative services in the areas of internet financing, internet-based fund collection and payment, e-commerce capital management, investment management and various other internet finance business, with a view to establishing a long-term and stable partnership between the bank and the enterprise. As specifically required by the Group, Ping An Bank will give its priority to recommend its advantageous and featured financial services to the Group and its various businesses or individual customers. Meanwhile, Ping An Bank will provide tailored-made, all-round and personalized financial service solutions for the Group and its the various businesses or individual customers according to the Group’s demand and the needs for personalized service.

In addition, the Group has recently entered into a cooperation agreement in relation to KYB business (the “**KYB Business Cooperation Agreement**”) with Ping An Bank (Beijing Branch) through Shanghai Huijing E-commerce Co., Ltd.* (上海慧旌電子商務有限公司) (“**Shanghai Huijing**”), a wholly-owned subsidiary and an integrated supply-chain financial services platform of the Group, pursuant to which both parties will cooperate on the KYB (Know Your Business) business of Ping An Bank. KYB business is a credit model adopted by Ping An Bank regarding credit ratings and online financing of the SMEs and their owners based on the internal and external data, which is designed for the internet finance business of the SMEs and their owners. Pursuant to the KYB Business Cooperation Agreement, the Group will facilitate Ping An Bank (Beijing Branch) in respect of customer recommendation, product promotion and financial service, and both parties will carry out other in-depth financial cooperation within the scope permitted under the state laws and regulations.

The transactions under the Cooperation Framework Agreement and the KYB Business Cooperation Agreement were conducted in the Group’s ordinary and usual course of business, and did not constitute discloseable transactions or connected transactions under Chapter 14 or Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Company will make further announcements in accordance with the Listing Rules as and when necessary or appropriate.

REASONS FOR AND BENEFITS OF THE COOPERATION

The Group is committed to building a leading industrial internet group with data services as the basis, transaction services as the scenario, and information services as the support. As the major operating entities of the Group’s trading services segment, ibuychem.com and Shanghai Huijing are deeply engaging in the industries relating to chemicals and plastics, 3C, metals and new energy, which endeavour to provide services including industry information relating to synergetic information service segment, supply chain traceability for the data service segment, supply chain finance for financial institutions, and integrated trading services for third-party logistics and warehousing.

Ping An Bank is a joint-stock commercial bank held by Ping An Insurance (Group) Company of China, Ltd. with cross-regional operations and one of the 12 national joint-stock commercial banks in Mainland China. As a well-known joint-stock bank in China, Ping An Bank provides various innovative business for SMEs, enjoying an advantage in serving SME customers.

The cooperation between the Group and Ping An Bank is in line with the Group's vision to become a leading industrial internet group. With the support of the mature financing products of Ping An Bank, it can strengthen the Group's service capabilities in supply chain finance and support its transactions in chemicals and plastics, 3C, metals and new energy, and lay the foundation for similar cooperation in more vertical industries of the Group.

By Order of the Board
HC GROUP INC.
Liu Jun
Chairman and Chief Executive Officer

Beijing, the People's Republic of China, 4 July 2018

As at the date of this announcement, the Board comprises:

Mr. Liu Jun (*Executive Director, Chairman and Chief Executive Officer*)

Mr. Lee Wee Ong (*Executive Director and Chief Financial Officer*)

Mr. Liu Xiaodong (*Executive Director and President*)

Mr. Guo Fansheng (*Non-executive Director*)

Mr. Li Jianguang (*Non-executive Director*)

Mr. Wong Chi Keung (*Non-executive Director*)

Mr. Zhang Ke (*Independent Non-executive Director*)

Mr. Zhang Tim Tianwei (*Independent Non-executive Director*)

Ms. Qi Yan (*Independent Non-executive Director*)

* *For identification purpose only*